

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

December 11, 1963

On file OMB release instructions apply.

MEMORANDUM TO HEADS OF DEPARTMENTS AND AGENCIES

PERSONAL AND URGENT

Enclosed is a copy of a statement which the President made this afternoon to the Cabinet. The President's statement makes abundantly clear his decision to tighten management and hold down employment in the Federal Government.

Cabinet members were asked at the meeting to make a personal and searching review of their 1965 budgets, and to find further reductions in expenditures and personnel beyond those already made in the budget review process.

The purpose of this memorandum is to direct the President's request to all agency heads.

At the President's direction, I ask:

(1) That you undertake immediately a personal reexamination of the appropriation, expenditure, and employment figures contained in the most recent tentative allowance which you have received from the Bureau of the Budget. (Bureau officials will be in touch by telephone with those few agencies which have not yet received tentative allowances.)

(2) That you identify those further reductions in appropriations, expenditures, and personnel (stated separately for end-of-year employment in permanent and in other positions) which can be achieved through tighter management, better personnel utilization, postponement of program expansions, curtailment of programs which are not of the highest urgency, and other steps appropriate to a time of severe budgetary stringency.

(3) That you notify me in writing of the nature and amount of these reductions by 6:00 p.m., Friday, December 13, so that the President may proceed without delay in his personal review of each agency's submission.

*Kermit Gordon*  
Kermit Gordon  
Director

Enclosure